

**Marketing Research and Service Activity Model for Expanding Nebraska's Farmers'  
Markets and Increasing Consumer Awareness of Nebraska Fresh Locally Grown Fruits  
and Vegetables  
Final Report  
USDA Federal/State Marketing Improvement Program  
February 2005**

**Project Summary**

The Nebraska Department of Agriculture (NDA) developed a model for fruit and vegetable producers, which will help increase the benefit from existing farmers' markets, identify niche market opportunities, and explore new markets for their agricultural products. The primary objective of the project was to seek new ways to educate consumers about the benefits and availability of fresh, locally grown fruits and vegetables in Nebraska, research consumer purchasing patterns, and develop a model for Nebraska's fresh produce industry.

**Outline of the Issue or Problem**

Severe drought conditions in Nebraska and the increasingly narrow profit margins for conventional agriculture production, which dominates Nebraska agriculture, have forced farmers and ranchers to diversify their operations to stay alive. The number of Nebraska farms has declined 18 percent since 1980, and 27 percent since 1970. Farmers are looking to find more efficient ways of farming and become more profitable. Small farm productivity is allowing farmers to obtain higher profits on the sale of their products allowing more of the consumer dollar to remain with the farmer. However, as Nebraska's rural communities struggle to stay alive, there is a growing concern of the disconnection between agriculture's rural production side and the urban consumption side. There is a need to develop an educational program for growers, market managers, and community leaders to examine farmers' markets and establish a mutually reinforcing network of individuals who share information about production methods and marketing insights.

New challenges are requiring Nebraska's diversified agricultural groups to be more organized. In an effort to expand their markets, one of the goals of the project was to increase the sense of community between the rural producers and their local towns and cities. Maintaining existing markets, encouraging new markets, and increasing the level of quality, service, and consumer confidence in community markets is key.

Consumers are concerned with the origin, freshness, and nutritional quality of their foods. Producers need help in identifying new marketing strategies that will more effectively promote their products. The USDA's Senior Farmers' Market Nutrition Program (SFMNP), which Nebraska has received funding for the past four years, encourages senior citizens to eat fresh fruits and vegetables. Overwhelming success in this program was another reason to focus on providing education to consumers and producers.

## **How the Issue or Problem was Approached via the Project**

Six primary objectives were listed in the narrative. These objectives were used to approach the problems identified on page 1.

The first objective would involve **researching consumer purchasing behaviors** in an effort to determine the interest and patterns of purchasing fresh, locally grown products.

- Plans were to work with the University of Nebraska's Food Processing Center (FPC) to research consumer purchasing behaviors and determine the level of interest in and the current pattern of purchasing locally grown produce products from several different sources – including grocery stores, farmers' markets, and direct from local farmers, with an emphasis on fresh produce. The idea is to make the survey results relative to fresh produce, locally grown food products, farmers' markets, and an official Nebraska logo or label program.
- Visits with several Nebraska Farmers' Markets located across the state and interaction with vendors, producers, and senior citizens enrolled in the Senior Farmers' Market Nutrition Program (SFMNP) were to be scheduled to gain additional information on consumer purchasing behaviors and patterns. Use the visits to identify materials or programs that would help the promote Nebraska's farmers' markets and the availability of fresh, locally grown fruits and vegetables in Nebraska.

The second objective would include **reviewing market promotion programs** from other states to help develop a program for Nebraska.

- This would involve collecting information regarding other states' produce marketing programs and materials. Obtain directory listings, resource guides, point-of-sale materials, or any other relevant material.
- Additionally, study many of the marketing strategies and methods NDA utilizes to promote other agricultural products. Identify successful promotional displays, marketing seminars, and educational resource guides.

The third objective would involve **developing a model for the fruit and vegetable industry** that would complement other diversified products.

- Information compiled from the previous objectives would enable us to create a model for the Nebraska produce industry.

Create a model name and develop model components.

1. Analyze primary and secondary research, including consumer purchasing patterns and information collected from other states.

2. Write a situational analysis to provide history and background of the Nebraska fresh produce industry.
  3. Write a marketing plan to identify where the industry is and where it intends to go. Provide marketing strategies that will enable Nebraska producers to better market their products.
  4. Develop a new Nebraska Fresh Produce logo. The new logo will be the property of NDA. NDA will retain control of the logo.
  5. Develop a producer's marketing guide, which would be an abbreviated version of the marketing plan.
  6. Develop newspaper advertisements promoting Nebraska fresh produce.
  7. Create copies of FPC's PowerPoint presentations. If possible, make copies available on a floppy disk or a CD-Rom.
- Contact different marketing firms who have the ability to create this model, which is to be used by Nebraska produce growers in an effort to improve their marketing efforts regardless of which venue(s) they decide to sell their products in. The five marketing venues are farmers' markets, roadside stands, U-pick operations, wholesaling through distribution centers, and wholesaling through retail stores.
  - Send letters to all Nebraska produce contacts in our database. The letters will list all of the model components and the description of each component. Producers and growers interested in this material would contact NDA, and the components would be sent to them free of charge.

The fourth objective would involve **preparing educational presentations** to promote the role of farmers' markets.

- Use the results of the consumer survey and the information of the food safety reports and convert both into PowerPoint presentations.
- The FPC would extend offers to deliver presentations to local farmers' markets regarding food safety and food microbiology. The presentation would:
  1. Provide a general understanding of food safety to farmers' market vendors and its importance to the consumer; and
  2. Provide information on field sanitation, cooling, packing, and transporting produce to market in order to inhibit contamination.

The fifth objective would involve **analyzing the project's impact** on the fruit and vegetable industry.

- Results of this project will be presented to the Nebraska fresh produce growers in our database and to the Nebraska Farmers' Market Association.
- Model components will also be provided to Dr. Laurie Hodges who is the Associate Professor for Agronomy and Horticulture at the University of Nebraska-Lincoln.

The sixth and final objective would be to **distribute the information** obtained through the project.

- Packets containing the Nebraska Fresh Produce model components will be assembled for distribution to interested Nebraska fruit and vegetable growers and vendors.

### **Contribution of Public or Private Agency Cooperators**

- University of Nebraska Lincoln's Food Processing Center
- University of Nebraska Lincoln's Agronomy/Horticulture Department
- Swanson Russell Associates
- Nebraska Department of Agriculture
- Nebraska Health and Human Services

### **Results and Conclusions**

Based upon the original six primary objectives listed in the proposal narrative, each one was completed. Listed below is a summary of the objective results and the activities that were completed in each area to approach the problems identified on page 1.

The first objective was to **research consumer purchasing behaviors** to determine the interest and patterns of purchasing fresh, locally grown products.

- The University of Nebraska's Food Processing Center (FPC) surveyed 300 primary grocery shoppers in randomly selected Nebraska households. The purpose was to research consumer purchasing behaviors to determine the level of interest in and the current pattern of purchasing locally grown produce products from several different sources – including grocery stores, farmers' markets, and directly from local farmers, with an emphasis on fresh produce. The survey results were relative to fresh produce, locally grown food products, farmers' markets, and an official Nebraska logo or label program. The results were presented in the form of a 21-page written report, which was released on June 22, 2004. A PowerPoint presentation has also been written to accompany this report. A copy of the survey report and the PowerPoint presentation are enclosed with this final report.

- The administration of the 2004 Senior Farmers' Market Nutrition Program has provided an excellent medium to interact with both producers and senior citizens to gain additional information on senior citizen consumer purchasing behaviors and patterns.
- During the summer and fall months, NDA representatives traveled to various farmers' markets located across the state to talk with consumers who purchase produce at Nebraska's farmers' markets. Discussions were also held with vendors at each of the markets NDA visited. Discussions revealed a need for better promotion of Nebraska's farmers' markets and the availability of fresh, locally grown fruits and vegetables in Nebraska.

The second objective involved was **reviewing market promotion programs** from other states to help develop a program for Nebraska.

- NDA collected and compiled information relevant to this project regarding other states' marketing programs and materials. Information was collected from nine states. Directory listings, health brochures, resource guides, and point-of-sale materials were all part of the information collected. This information was used to help create a model for marketing and promoting Nebraska's produce industry. The components of the Nebraska Fresh Produce Model are listed below.
- This objective also involved studying many of the marketing strategies and methods NDA utilizes to promote other agricultural products. Some examples that have proven to be successful are promotional displays, marketing seminars, and educational resource guides.

The third objective was to **develop a model for the fruit and vegetable industry** that would complement other diversified products.

- The information compiled from the other objectives was utilized to create a model for the Nebraska produce industry. Listed below is the model name and the project components that were developed.

Model Name: Nebraska Fresh Produce

Model Components:

1. Analysis of primary and secondary research, including the *Survey of Nebraska Households* study and *Produce Food Safety* presentation, both of which are already completed. Also, analyzed any additional secondary research available, including information collected from other states. Both PowerPoint presentations and a written copy of the study is enclosed with this report. The sum of all FPC invoices was \$14,820, and FSMIP funds were used to pay for the creation of this information.

2. Conducted additional informational interviews with growers, distributors, and retailers to gain their perspective of the challenges and opportunities for marketing Nebraska produce.
  3. Wrote a situational analysis and obtained consensus from stakeholders for the content thereof. A copy of this document is enclosed with this report.
  4. Wrote a marketing plan, which was in large measure driven by the challenges and opportunities identified in the situational analysis. A copy of this plan is enclosed with this report.
  5. Several new Nebraska Fresh Produce logo designs were created. From these designs, a new logo will be selected. The new logo will be the property of NDA, and NDA will retain control of the logo. A photocopy of one of the logo designs is enclosed with this report. (The enclosed copy does not reveal the colors that are included in the logo.)
  6. Developed a producer's marketing guide, which is be an abbreviated version of the marketing plan. A copy of this document is enclosed with this report.
  7. Developed newspaper and magazine advertisements. A photocopy of one of the advertisements is enclosed with this report.
  8. Created copies of FPC's PowerPoint presentations. Copies are available in hard copy or on a CD-Rom. Copies of the presentations are enclosed with this report (both in hard copy and on a CD-Rom).
- NDA contacted four Nebraska marketing firms who had the ability to create this model, which is to be used by Nebraska produce growers in an effort to improve their marketing efforts regardless of which venue(s) they decide to sell their products in. The five marketing venues are farmers' markets, roadside stands, U-pik operations, wholesaling through distribution centers, and wholesaling through retail stores. From this list, NDA selected Swanson Russell Associates (SRA) to perform the work. SRA is a reputable marketing and communication company that has offices located in Lincoln and Omaha, Nebraska. Work was completed and model components were presented to NDA on December 1, 2004. As stated above, all model components are enclosed with this report.
  - SRA was paid upon receipt of each invoice during the term of the agreement. The sum of all invoices was \$17,309.60, and FSMIP funds were used to pay for the creation of the model components. The agreement with SRA became effective August 1, 2004, and ended December 1, 2004.

- Now that the model components have been developed, letters were sent to all 617 produce contacts in our database. The letters listed all of the model components and the description of each component. Producers and growers interested in this material were instructed to contact NDA and the components would be sent to them free of charge. To date, NDA has received several calls and e-mails requesting this information. Packets with the model components will soon be assembled for distribution to the interested Nebraska fruit and vegetable growers and vendors who requested this information.

The fourth objective was to **prepare educational presentations** to promote the role of farmers' markets.

- The FPC gave presentations to local farmers' markets regarding food safety and food microbiology. The offer to deliver this presentation was extended to several Nebraska farmers' markets. The presentation was designed to:
  1. Provide a general understanding of food safety to farmers' market vendors and its importance to the consumer; and
  2. Provide information on field sanitation, cooling, packing, and transporting produce to market in order to inhibit contamination.

A copy of the *Produce Food Safety* presentation handout is enclosed with this report. This presentation can also be found on the web at <http://www.foodmap.unl.edu/index.asp>.

The fifth objective involved **analyzing the project's impact** on the fruit and vegetable industry.

- The analysis of this project has been completed by NDA. Results of this project were presented to the Nebraska Farmers' Market Association on January 7, 2005.
- Model components will also be provided to Dr. Laurie Hodges who is the Associate Professor for Agronomy and Horticulture at the University of Nebraska-Lincoln. Dr. Hodges works closely with the Nebraska Farmers' Market Association.

The sixth and final objective was to **distribute the information** obtained through the project.

- The project was completed on December 1, 2004. As stated earlier, packets containing the Nebraska Fresh Produce model components are being assembled for distribution to interested Nebraska fruit and vegetable growers and vendors. The information and materials are provided in a useable format to both producers and consumers to further improve the effectiveness of this project. Also, some of

this information is available via the Internet in order to address some of the concerns of producers and consumers.

In conclusion, this activity was a great improvement to the Nebraska fruit and vegetable industry. All of the results from the work accomplished will be a great asset to this industry. NDA believes this project will play a large role in helping expand Nebraska's farmers' markets and increase consumer awareness of Nebraska's fresh, locally grown fruits and vegetables. This project is a "win-win" situation for Nebraska. Ultimately, this FSMIP project addressed the many issues related to this industry. In the years ahead, NDA staff will continue to heavily advertise the model components created.

### **Current or Future Benefits to be Derived from the Project**

Several benefits will be derived from this project.

First, this project will increase the visibility of locally grown Nebraska agricultural products. The research and marketing work achieved through this project will help increase the visibility of locally grown Nebraska agricultural products and will enable vendors to more successfully market their products. Potential future benefits might include an increase in producer profitability and an increase in consumer awareness of fresh, locally grown Nebraska produce.

A direct benefit from this project will be an increase in community awareness of Nebraska's produce industry. NDA is currently giving presentations to several agricultural organizations informing all audiences of the work accomplished through this project and the materials that are available to interested local producers. More presentations to various farming audiences and several visits to local farmers' markets are already scheduled in the spring and summer of 2005.

As stated earlier, NDA will assemble packets containing the model components, which will be distributed to Nebraska fruit and vegetable growers and vendors who have requested the information. The research and marketing materials will help Nebraska fresh produce growers increase revenue and profitability from their operations. From this material, producers will gain a better insight into consumer purchasing patterns, learn how to inhibit produce contamination, and learn new marketing strategies that will hopefully result in an increase in produce sales.

Farmers' markets all across the state will benefit from this project as this industry continues to expand in Nebraska and producers begin using new or alternative marketing strategies that will assist in the promotion of their products. Future promotion and publicity of the results from this project will increase. The results of this project will help producers cope with the challenges that face this industry every year.

### **Additional Information Available**

See the enclosed materials to view all publications, PowerPoint presentations, and other documents produced as a result of this project. For additional information regarding this grant,



please contact Casey Foster at the Nebraska Department of Agriculture. Contact information is listed below.

**Contact for More Information**

For more information regarding this project, please contact:

Casey Foster, Ag Promotion Coordinator – Value-Added  
Nebraska Department of Agriculture  
Ag Promotion and Development Division  
301 Centennial Mall South  
P.O. Box 94947  
Lincoln, NE 68509-4947  
Phone: 800-422-6692 or (402) 471-4876  
Fax: (402) 471-2759  
E-mail: [cfoster@agr.ne.gov](mailto:cfoster@agr.ne.gov)  
Web site: [www.agr.state.ne.us](http://www.agr.state.ne.us)

FSMIP Final Report 013005.doc